COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

ATTORNEY GENERAL'S FIRST SET OF DOCUMENT AND INFORMATION REQUESTS

D.T.E. 05-8

Respondent: Theodore Poe, Jr.

Information Request AG-1-3

- Q. Please explain how the KLNG facility in Providence, RI is utilized by the Company to serve Massachusetts customers.
- A. Boston Gas Company has a contract with KLNG that allows it to store up to 1,159, 664 MMBtu of gas at the KLNG facility in Providence and to withdraw up to 35,000 MMBtu/day of stored gas. In order to meet peak season and peak day customer requirements, KeySpan can use the KLNG facility in two ways. First, liquid can be withdrawn from the KLNG facility for redelivery via truck to any KeySpan LNG facility. Second, vapor can be taken from the KLNG facility and either delivered directly to the Boston Gas system via Algonquin, or to any other KeySpan Massachusetts division by utilizing the Company's Operational Balancing Agreements with Algonquin and Tennessee.

The Company's DOMAC contracts are utilized in liquid form to refill the storage capacity available at the KLNG facility.